

Agenda Date: 12/22/04 Agenda Item: IV-B2

STATE OF NEW JERSEY

Board of Public Utilities
Two Gateway Center
Newark, NJ 07102
www.bpu.state.nj.us

IN THE MATTER OF THE JOINT APPLICATION)
OF 1-800-RECONEX D/B/A U.S. TEL AND)
UNITED TELEPHONE COMPANY OF NEW)
JERSEY, INC. FOR APPROVAL OF A MASTER)
INTERCONNECTION, COLLOCATION AND)
RESALE AGREEMENT UNDER SECTION 252 OF)
THE TELECOMMUNICATIONS ACT OF 1996

TELECOMMUNICATIONS

ORDER APPROVING INTERCONNECTION AGREEMENT

DOCKET NO. TO04060417

(SERVICE LIST ATTACHED)

BY THE BOARD:

By letter dated June 7, 2004, United Telephone Company of New Jersey, Inc. ("United"), a New Jersey corporation, and 1-800-Reconex d/b/a U.S. Tel ("U.S. Tel"), (jointly, "the Parties"), pursuant to Sections 251 and 252 of the Telecommunications Act of 1996, P.L. 104-104, 110 Stat. 56 (codified in scattered sections of 47 <u>U.S.C.</u> §151 <u>et seq.</u>) ("the Act"), submitted to the Board of Public Utilities ("Board") a joint application ("Application") for approval of a negotiated interconnection agreement, titled "Master Interconnection, Collocation and Resale Agreement" and dated April 23, 2004 ("the Agreement"). United is an incumbent local exchange carrier as defined by the Act with the duty to negotiate interconnection agreements pursuant to Section 252 of the Act. <u>See</u> 47 <u>U.S.C.</u> §251(c) and §251(h)(1). The Agreement sets forth the rates, terms and conditions under which United will offer to U.S. Tel telecommunications services for the purpose of resale.

United and U.S. Tel assert that the Agreement satisfies the requirements for Board approval because it does not discriminate against any other telecommunications carrier, as required by Section 252(e)(2)(A)(i). The Parties aver that the terms contained in the Agreement are available to any other telecommunications carrier operating in New Jersey, and that other carriers are not bound by the Agreement, remaining free to negotiate independently with United pursuant to Section 252 of the Act. Application at 3.

The Agreement is in effect until April 23, 2006 and thereafter, as noted in the Agreement, continues in full force and effect unless terminated as provided in the Agreement. The Agreement provides for post-termination interim services arrangements.

The Parties also assert that the Agreement is consistent with the public interest, convenience and necessity, as required by Section 252(e)(2)(A)(ii) because it will permit U.S. Tel to compete with United as a local telephone service reseller for both residential and business customers, and it will promote local competition in United's service territory, thereby fostering the goals of the Act.

The Division of the Ratepayer Advocate (Advocate) has raised objections to certain provisions of the Agreement. Consistent with prior Board Orders, the Board declines to make modifications to the Agreement. See Order, I/M/O the Joint Application of Verizon New Jersey, Inc. and Ernest Communications, Inc. For Approval of an Interconnection Agreement Under Section 252(e) of the Telecommunications Act of 1996, Docket No. TO02050287, dated September 18, 2002.

DISCUSSION

Pursuant to 47 <u>U.S.C.</u> §252(a)(1), an incumbent LEC may negotiate and enter into a binding interconnection agreement with a carrier requesting interconnection, service, or network elements without regard to the standards set forth in 47 <u>U.S.C.</u> §251(b) and (c). In addition, 47 <u>U.S.C.</u> §252(e)(1) requires approval by the Board of any interconnection agreement adopted by negotiation or arbitration, and further requires the Board to approve or reject the Agreement, with written findings as to any deficiencies. The Act provides that the Board may reject a negotiated agreement only if it finds that:

- (i) the agreement (or portion thereof) discriminates against a telecommunications carrier not a party to the agreement; or
- (ii) the implementation of such agreement or portion is not consistent with the public interest, convenience, and necessity.

[47 <u>U.S.C.</u> §2:52(e)(2)(A)].

The Board's review of the Agreement and the record in this matter indicate that the Agreement is consistent with the public interest, convenience, and necessity and does not discriminate against telecommunications carriers not parties to the Agreement. Therefore, the Board <u>FINDS</u> that the Agreement rneets the standards set forth in the Act, and <u>HEREBY APPROVES</u> the Agreement as presented by the Parties. This approval should not be construed as preapproval of any future petitions for rate recovery of costs incurred pursuant to the Agreement. In addition, approval does not constitute a determination concerning, nor shall the Board be bound by, any provisions within the Agreement regarding the confidentiality of information.

Pursuant to 47 $\underline{\text{U.S.C.}}$ §252(h), a copy of the Agreement will be made available for public inspection and copying within ten days of the issuance of this Order.

DATED: /2/23/04

BOARD OF PUBLIC UTILITIES BY:

JEANNE M. FOX
PRESIDENT

FREDERICK F. BUTLER COMMISSIONER

CONNIE O. HUGHES COMMISSIONER

ATTEST:

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Beverly G. Steinberg LeBoeuf, Lamb, Greene & MacRae, LLP One Riverfront Plaza Newark, NJ 07102

James M. Corcoran Jimarli Figueiredo Board of Public Utilities Division of Telecommunications Two Gateway Center Newark, NJ 07102

Seema M. Singh, Acting Ratepayer Advocate Joshua H. Seidemann, Esq. Christopher White, Esq. Division of Ratepayer Advocate 31 Clinton Street, 11th Floor P.O. Box 46005 Newark, NJ 07101

Elise Goldblat, D.A.G. Alex Moreau, D.A.G. Department of Law & Public Safety 124 Halsey Street, 5th Floor Newark, NJ 07102

William E. Braun 1-800-Reconex d/b/a U.S. Tel 2500 Industrial Avenue Hubbard, Oregon 97032